

E AND R AMENDMENTS TO LB 961

Introduced by Enrollment and Review Committee: Nordquist, 7,
Chairperson

1 1. Strike the original sections and all amendments
2 thereto and insert the following new sections:

3 Section 1. Section 81-1201.21, Revised Statutes
4 Supplement, 2009, as amended by section 72, Legislative Bill 3, One
5 Hundred First Legislature, First Special Session, 2009, is amended
6 to read:

7 81-1201.21 (1) There is hereby created the Job Training
8 Cash Fund. The fund shall be under the direction of the Department
9 of Economic Development. Money may be transferred to the fund
10 pursuant to subdivision (1)(b)(iv) of section 48-621 and from
11 the Cash Reserve Fund at the direction of the Legislature. The
12 department shall establish a subaccount for all money transferred
13 from the Cash Reserve Fund to the Job Training Cash Fund on or
14 after July 1, 2005. ~~Any unexpended or unobligated balance remaining~~
15 ~~within such subaccount on July 1, 2014, shall be transferred by the~~
16 ~~State Treasurer to the Cash Reserve Fund no later than July 10,~~
17 ~~2014. Any obligated amount not transferred from the subaccount that~~
18 ~~remains unexpended on July 1, 2013, shall be transferred by the~~
19 ~~State Treasurer to the Cash Reserve Fund no later than December 31,~~
20 ~~2015. Transfers may be made from the Job Training Cash Fund to the~~
21 ~~General Fund at the direction of the Legislature.~~

22 (2) The department shall use the Job Training Cash Fund
23 or the subaccount established in subsection (1) of this section

1 to provide reimbursements for job training activities, including
2 employee assessment, preemployment training, on-the-job training,
3 training equipment costs, and other reasonable costs related to
4 helping industry and business locate or expand in Nebraska, or
5 to provide upgrade skills training of the existing labor force
6 necessary to adapt to new technology or the introduction of new
7 product lines.

8 (3) The department shall establish a subaccount within
9 the fund to provide job training grants targeted to small
10 employers, rural employers, and poverty area employers meeting
11 one of the following criteria: (a) Employ twenty-five or fewer
12 employees, (b) located in rural areas of Nebraska, or (c)
13 located in areas of high concentration of poverty within the
14 corporate limits of a city or village consisting of one or more
15 contiguous census tracts, as determined by the most recent federal
16 decennial census, which contain a percentage of persons below
17 the poverty line of greater than thirty percent, and all census
18 tracts contiguous to such tract or tracts, as determined by the
19 most recent federal decennial census. for training employees and
20 potential employees of businesses that (a) employ twenty-five or
21 fewer employees on the application date, (b) employ, or train for
22 potential employment, residents of rural areas of Nebraska, or
23 (c) are located in or employ, or train for potential employment,
24 residents of high-poverty areas as defined in section 81-1203. The
25 department shall calculate the amount of prior year investment
26 income earnings accruing to the fund and allocate such amount to
27 the subaccount for ~~small, rural, or poverty area employer grants.~~

1 training grants under this subsection.

2 (4) Any money in the fund available for investment
3 shall be invested by the state investment officer pursuant to
4 the Nebraska Capital Expansion Act and the Nebraska State Funds
5 Investment Act.

6 Sec. 2. Section 81-1203, Reissue Revised Statutes of
7 Nebraska, is amended to read:

8 81-1203 (1) A business applying for a job training
9 grant, other than a grant provided under subsection (3) of section
10 81-1201.21, shall submit a business plan to the Department of
11 Economic Development which includes, but is not limited to:

12 (a) The number of jobs to be created or the number of
13 existing positions that will be retrained;

14 (b) The nature of the business and the type of jobs to be
15 created or positions to be retrained;

16 (c) The estimated wage levels of the jobs to be created
17 or positions to be retrained; and

18 (d) A program schedule for the job training project.

19 (2) A business applying for a job training grant, other
20 than a grant provided under subsection (3) of section 81-1201.21,
21 must demonstrate that the job training project to be conducted
22 pursuant to the grant meets the following criteria:

23 (a) The wage level of the jobs created will meet the
24 local prevailing average;

25 (b) The jobs created will diversify the local economy;

26 (c) The goods or services produced by the company will be
27 export-oriented;

1 (d) Seventy-five percent of the jobs created will be
2 full-time jobs; and

3 (e) The new jobs will be created within three calendar
4 years.

5 (3) A business applying for a ~~job~~ training grant
6 under subsection (3) of section 81-1201.21 may partner with
7 a postsecondary educational institution; a private, nonprofit
8 organization holding a certificate of exemption under section
9 501(c)(3) of the Internal Revenue Code; or a learning community
10 coordinating council or school district and at least one that has
11 partnered with a private, nonprofit organization, whose purpose
12 is providing basic job and life skills training to individuals
13 in high-poverty areas. Such projects shall be focused on job
14 training and job creation for persons residing in high-poverty
15 areas within the boundaries of the partnering learning community
16 or school district. The application shall specify the role of the
17 partnering coordinating council or school district and the private,
18 nonprofit organization entity in identifying and training potential
19 job applicants for the applicant business.

20 (4) A business applying for a training grant under
21 subsection (3) of section 81-1201.21 may apply as a business that
22 has established a program under which residents of rural areas
23 or high-poverty areas are trained for employment or potential
24 employment by documenting:

25 (a) That the business has established a program designed
26 to fill a minimum of four positions in rural areas and a minimum of
27 eight positions in high-poverty areas for such business;

1 (b) A program schedule for the training project;

2 (c) The nature of the business and the number of
3 positions available or to be created;

4 (d) That the wage level of the positions available or to
5 be created will meet the local prevailing average;

6 (e) The value of the positions available or to be created
7 in diversifying the local economy;

8 (f) That a minimum of seventy-five percent of the
9 positions available or to be created will be full-time jobs;

10 (g) That the business will accept funding on behalf of
11 trainees and will provide a match of a minimum of twenty-five
12 percent of the value of the grant, either monetarily or through
13 in-kind services, as part of the training for each trainee;

14 (h) That any new position created will be done within
15 three calendar years;

16 (i) That the number of trainees will not exceed one
17 hundred twenty-five percent of the number of positions that will be
18 available at the time of application; and

19 (j) That the goods or services produced by the business
20 are generally exportable in nature resulting in additional money to
21 the community or the state and the positions available or to be
22 created are not local retail positions.

23 (5) Each business participating in a training grant under
24 subsection (3) of section 81-1201.21 shall be subject to an audit
25 by the Department of Economic Development and shall annually report
26 or provide to the department the following information:

27 (a) The percentage of trainees who have successfully

1 completed the training;

2 (b) The percentage of trainees that such business hired;

3 (c) An itemized description of such business's match
4 including expenditures per trainee; and

5 (d) A copy of the training curriculum.

6 (6) For purposes of ~~this subsection~~ subsections (3)
7 through (5) of this section:

8 (a) High-poverty area means an area consisting of one or
9 more contiguous census tracts, as determined by the most recent
10 federal decennial census, which contain a percentage of persons
11 with incomes below the poverty line of greater than thirty percent,
12 and all census tracts contiguous to such tract or tracts, as
13 determined by the most recent federal decennial census; and

14 (b) ~~private~~, Private, nonprofit organization means an
15 organization whose purpose is providing basic job and life skills
16 training to individuals in need of such training in rural or
17 high-poverty areas.

18 Sec. 3. Section 81-1205, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 81-1205 (1) A business which is awarded a job training
21 grant or a training grant shall provide annual performance reports
22 to the Department of Economic Development and a final performance
23 report upon the completion of the project. The department shall
24 provide an annual report by December 1 of each year to the
25 Appropriations Committee of the Legislature. The report shall
26 include information on each active grant, including specific
27 information regarding the number of positions to be trained,

1 whether new or existing employees are to be trained, the length
2 of time that the project has been active, the amount of funding
3 committed to the project, the amount of funding paid out to
4 date, and the projected completion date. The report shall also
5 provide information on grants closed during the reporting year,
6 including the total number of employees trained, whether new or
7 existing employees were trained, total project expenditures, and
8 the duration time of the project. The department shall also
9 provide information summarizing the use of community college areas
10 to provide training services and list specific projects where a
11 community college area is providing all or a component of the
12 training services. If private or inhouse training services are
13 used, the department shall provide information regarding the name
14 of the private or inhouse training service and the qualifications
15 of the training service.

16 (2) Up to four percent of each training grant awarded
17 under the program under subsection (3) of section 81-1201.21 shall
18 be made available to the Department of Economic Development to
19 finance the costs of administering such program. Such funds shall
20 be allocated from the subaccount within the Job Training Cash Fund
21 for training grants. The department shall not accept funds that do
22 not go directly to administering such program. The department shall
23 include in the annual report it provides to the Appropriations
24 Committee of the Legislature a summary of the administrative costs
25 of such program, including the percentage of each training grant
26 received by the department for administrative purposes and the
27 purpose for which it was used to carry out the intent of the

1 program.

2 Sec. 4. Section 81-1207, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 81-1207 (1) If a business which receives a job training
5 grant creates fewer jobs than stated in the business plan, the
6 business shall repay the job training grant as provided in this
7 ~~section.~~ subsection. If less than fifty percent of the proposed
8 jobs are created, one hundred percent of the grant shall be repaid.
9 If fifty percent or more but less than seventy percent of the
10 proposed jobs are created, fifty percent of the grant shall be
11 repaid. If seventy percent or more but less than ninety percent
12 of the proposed jobs are created, twenty-five percent of the grant
13 shall be repaid. If ninety percent or more of the proposed jobs are
14 created, no repayment is required.

15 (2) If a business receives a training grant and fewer
16 trainees than stated in the business plan complete the training,
17 the business shall repay the grant as provided in this subsection.
18 For every trainee who does not complete the training, the business
19 shall repay fifty percent of the prorated share of such trainee's
20 uncompleted training costs. No dollars shall be expended from the
21 Job Training Cash Fund that are not used for the purposes outlined
22 in subsection (2) of section 81-1201.21.

23 Sec. 5. Original sections 81-1203, 81-1205, and 81-1207,
24 Reissue Revised Statutes of Nebraska, and section 81-1201.21,
25 Revised Statutes Supplement, 2009, as amended by section 72,
26 Legislative Bill 3, One Hundred First Legislature, First Special
27 Session, 2009, are repealed.